

Message Text

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ACTION AGRE-00

INFO OCT-01 EA-10 ISO-00 CIAE-00 COME-00 EB-08 INR-07

LAB-04 NSAE-00 SP-02 STR-05 TRSE-00 FRB-03 OMB-01

SS-15 NSC-05 L-03 XMB-02 AID-05 /071 W

-----053548 060009Z /21

R 050950Z OCT 77

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC 7296

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DEPT PASS USDA FOR K. STEPHENS GSMO AND W. DAVIS FAS

E.O. 11652: N/A

TAGS: ETRD, BDIS, TH

SUBJ: CCC COTTON CREDIT

REF: STATE 239088, FASTO 80

1. AGATT RAISED WITH MONTRI SUKHANIT, PRESIDENT OF THAI TEXTILE MANUFACTURING ASSOCIATION (TTMA), QUESTION OF POSSIBLE IMPINGEMENT OF COTTON CONTRACT DEFAULT PROBLEM ON CCC CREDITS. MONTRI CONTENDED THAI MILLS WILL BE UNHAPPY SHOULD \$15 MILLION CCC CREDIT NOTED IN REFTEL NOT BE FORTHCOMING.

2. MONTRI MADE THE FOLLOWING POINTS:

A) CREDIT LINE OF \$15 MILLION MOST DESIRABLE.

FACED WITH HIGHER LABOR, RAW MATERIALS AND OTHER COSTS, IT WAS EMPHASIZED THAT IT IS MOST IMPORTANT THAT THIS LEVEL OF CREDIT BE AVAILABLE IF THAI INDUSTRY IS TO COMPETE IN WORLD TEXTILE MARKET.

B) THAT TTMA BE GIVEN MORE TIME TO CONSIDER WHAT PROCEDURE MIGHT BE EMPLOYED HERE TO SEE THAT DELINQUENT MILLS DO NOT STEP FORWARD FOR CCC CREDIT ONCE IT IS AVAILABLE.

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C) EARLIEST ACCEPTABLE DATE BE DELAYED AT LEAST UNTIL MID-NOVEMBER. THIS WOULD ALLOW TIME FOR SUBJECT TO BE DISCUSSED IN MORE DETAIL DURING KENNARD STEPHENS UP-COMING VISIT TO THAILAND IN EARLY NOVEMBER.

D) USDA USE WHATEVER LEVERAGE IT MIGHT HAVE TO PERSUADE U.S. EXPORTERS TO BE MORE CONCILIATORY IN FINDING SOLUTION TO COTTON CONTRACT PROBLEM.

3. COMMENT: AS IN THE PAST, MONTRI SHOWED A GENUINE
INTEREST IN FINDING A SOLUTION TO COTTON CONTRACT PROBLEM.
THE EMBASY AGREES WITH HIS ASSEMSSMENT THAT U.S. COTTON
EXPORTER'S IMAGE, AND OF COURSE COTTON SALES, WOULD
SUFFER FURTHER DAMAGE IF CREDIT LINE IS NOT AVAILABLE.
SUCH ACTION WOULD SUPPORT THE BELIEF HERE THAT CCC
CREDIT WAS NOT AVAILABLE TO THAILAND DURING 1977 AS AN
ADDED PRESSURE TO SETTLE THE DEFAULT PROBLEM. THE LACK
OF CREDIT WOULD MEAN THOSE MILLS NEVER INVOLVED IN DEFAULTS
ON CONTRACTS AND THOSE THAT DID EVENTUALLY PULL THEMSELVES
TOGETHER AND ARRANGED TO MEET THEIR OBLIGATIONS WOULD BE
DENIED FAVORABLE CREDIT FACILITES ALONG WITH
DELINQUENT MILLS. MOREOVER, A CCC CREDIT LINE IS NEEDED
HERE IF U.S. COTTON IS TO MAINTAIN ITS SHARE OF THE
THAI MARKET.
WHITEHOUSE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COTTON, CREDIT
Control Number: n/a
Copy: SINGLE
Sent Date: 05-Oct-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1977/newtext/t19771093/aaaadbjp.tel
Line Count: 79
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Litigation Codes:
Litigation History:
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Original Previous Classification: n/a
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Review Date: 03-Feb-2005 12:00:00 am
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1034752
Secure: OPEN
Status: NATIVE
Subject: CCC COTTON CREDIT
TAGS: ETRD, BDIS, TH
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/aaf06e37-c288-dd11-92da-001cc4696bcc
Review Markings:
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